

AUG 11 2017

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

**CLERK, U.S. BANKRUPTCY COURT
WEST DIST. OF PENNSYLVANIA**

In re: : Case No.: 12-23412-GLT
: Chapter: 13
Lance P. McCullough :
Janelle L. McCullough :
Debtor(s). : Date: 8/9/2017
: Time: 11:00

PROCEEDING MEMO

MATTER: #165 - Second Order to Show Cause Against Navient Solutions, Inc. for Failure to Comply with Court Orders and Attend Hearing
[Response due: 8-2-17]

APPEARANCES:

Debtor: David Valencik
Trustee: Ronda J. Winnecour

NOTES:

Winnecour: Not sure why Navient wanted to withdraw its claim. As of now, this case is complete. Will be lodging the funds as unclaimed and has sufficient funds to pay Sally Mae. Doesn't want discharge followed by Sally Mae coming after the Debtor. Requests joining everyone to the claim objection.

Valencik: Shares Winnecour's concerns.

Court: Striking claim doesn't get the ball rolling. The court will issue a Third Order to Show Cause. In the meantime, the Court finds Navient in contempt and will set a hearing to determine sanctions. Parties may file anything else to address the claim issue before then.

OUTCOME:

1. Navient is held in contempt of Court for failure to comply with orders to show cause and attend hearings. (Chambers to prepare.)
2. A hearing is set to determine appropriate sanctions for Navient.

DATED: 8/9/2017